



**MINUTES OF THE REGULAR
MEETING OF
THE
INLAND EMPIRE UTILITIES AGENCY
BOARD OF DIRECTORS**

**WEDNESDAY, MAY 16, 2018
10:00 A.M.**

DIRECTORS PRESENT:

Steven J. Elie, President
Jasmin A. Hall, Secretary/Treasurer
Paul Hofer
Kati Parker

DIRECTORS PRESENT:

Michael Camacho, Vice President

STAFF PRESENT:

Halla Razak, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jerry Burke, Deputy Manager of Engineering
Jason Gu, Manager of Grants
Linda Johnson, Administrative Coordinator
Sally Lee, Executive Assistant
Sylvie Lee, Manager of Planning & Environmental Resources
Jason Pivovaroff, Senior Engineer
Craig Proctor, Source Control/Environmental Resources Supervisor
Shaun Stone, Manager of Engineering
Al VanBreukelen, Deputy Manager of Maintenance
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT:

Jean Cihigoyenette, JC Law Firm
Neal Desai, National Parks Conservation Association

A regular meeting of the Board of Directors of the Inland Empire Utilities Agency* was held at the office of the Agency, 6075 Kimball Avenue, Bldg. A, Chino, California on the above date.

President Elie called the meeting to order at 10:07 a.m. and led the Pledge of Allegiance to the flag. A quorum was present.

President Elie stated that members of the public may address the Board. Mr. Neal Desai from the National Parks Conservation Association presented to the Board three significant updates on the Cadiz Groundwater Mining Project.

President Elie asked if there were any changes/additions/deletions to the agenda. There were no changes/additions/deletions to the agenda.

NEW HIRE INTRODUCTIONS AND PROMOTIONS

There were no new hires or promotions for this month.

CONSENT ITEMS

President Elie asked if there were any Board members wishing to pull an item from the Consent Calendar for discussion. There was no one desiring to do so.

Upon motion by Director Hall, seconded by Director Hofer, and unanimously carried (4:0):

M2018-5-2

MOVED, to approve the Consent Calendar.

- A. The Board approved the minutes from the March 7, 2018 Board Workshop/Meeting, March 21, 2018 Board Meeting, April 11, 2018 Special Board Meeting, and the May 2, 2018 Board Workshop/Meeting.
- B. The Board approved the total disbursements for the month of March 2018, in the amount of \$17,743,220.52.
- C. The Board approved a position of support for the water use efficiency legislation – AB 1668 and SB 606.
- D. The Board:
 - 1. Adopted Resolution No. 2018-5-4, authorizing the General Manager to sign and file an application and execute an agreement with the State Water Resources Control Board (SWRCB), for the design and construction of the Joint IEUA-JCSD Regional Water Recycling Program (Project);

RESOLUTION 2018-5-4

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO SIGN AND FILE A FINANCIAL ASSISTANCE APPLICATION AND AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE JOINT IEUA - JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM (for full text, see Resolution Book)

- 2. Adopted Resolution No. 2018-5-5, dedicating revenue for the repayment of the State Revolving Fund (SRF) loan from the SWRCB for the Project; and

Continued...

M2018-5-2 continued.

RESOLUTION 2018-5-5

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, DEDICATING CERTAIN REVENUES IN CONNECTION WITH THE JOINT IEUA - JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM FOR THE CLEAN WATER STATE REVOLVING FUND FINANCING FROM THE STATE WATER RESOURCES CONTROL BOARD (for full text, see Resolution Book)

3. Adopted Resolution No. 2018-5-6, establishing its intention to apply for and be reimbursed for expenditures related to the construction of the Project.

RESOLUTION 2018-5-6

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING ITS INTENTION TO BE REIMBURSED FOR EXPENDITURE RELATED TO THE JOINT IEUA – JURUPA COMMUNITY SERVICES DISTRICT (JCSD) REGIONAL WATER RECYCLING PROGRAM (for full text, see Resolution Book)

- E. The Board adopted Resolution No. 2018-5-3, pertaining to the procedures for amendment of records retention schedule, records retention, and destruction.

RESOLUTION 2018-5-3

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, PERTAINING TO THE PROCEDURES FOR AMENDMENT OF THE RECORDS RETENTION SCHEDULE, RECORDS RETENTION, AND DESTRUCTION (for full text, see Resolution Book)

- F. The Board:

1. Authorized the purchase of a new Terex BT70100 Boom Truck Crane from Terex for a not-to-exceed amount of \$375,000 (including tax and delivery); and
2. Authorized the General Manager to execute the purchase.

- G. The Board:

1. Approved a consultant contract amendment for the RP-1 Digester 6 and 7 Roof Repairs, Project No. EN17042, to GHD Inc. for a not-to-exceed amount of \$167,609; and

Continued...

M2018-5-2 continued.

2. Authorized the General Manager to execute the contract amendment subject to non-substantive changes.
- H. The Board authorized the General Manager to reallocate the previously approved spending authorization from individual not-to-exceed amounts of \$1,500,000 to a single aggregate not-to-exceed amount of \$6,000,000 to the following four contracts:
- 4600002051 Wallace & Associates Consulting, Inc.
 - 4600002052 Carollo Engineers, Inc.
 - 4600002053 MWH Constructors
 - 4600002054 GK & Associates

ACTION ITEM

PROPOSITION 1 GRANT PROFESSIONAL SERVICES CONTRACT AMENDMENT

General Manager Halla Razak gave an overview of the project capital cost, project operation, application review process by the California Water Commission (CWC), project status, next steps, supporters of the project, key future activities, project team, and staff's recommendation to the Board. Ms. Razak commended staff for their efforts in the past months and their hard work contributing to the increase in funds by CWC.

Discussion ensued regarding the details about the project proposal, member agencies, potential funding, and plans for after funding is finalized. President Elie gave a more detailed outline of the application's progression with the CWC and commended staff for their efforts as well.

Upon motion by Director Hofer, seconded by Director Hall, and unanimously carried (4:0):

M2018-5-3

MOVED, to:

1. Award an engineering services contract amendment to GEI Consultants, Inc. for a not-to-exceed amount of \$95,000; and
2. Authorize the General Manager to execute the contract subject to non-substantive changes.

ADOPTION OF RESOLUTION NO. 2018-5-1, REGIONAL PRETREATMENT PROGRAM LOCAL LIMITS

Source Control/Environmental Resources Supervisor Craig Proctor gave an overview of why the Agency is reevaluating its local limits, local limits objectives, proposed local limits, and staff's recommendation. Executive Manager of Engineering/AGM Chris Berch stated that Mr. Proctor has met with pretreatment staff from each member agency and the item was approved by the Regional Sewerage Program Technical & Policy Committees.

Discussion ensued about the specific proposed local limits, the history of previous limits, and the number of pollutants.

Upon motion by Director Parker, seconded by Director Hall, and unanimously carried (4:0):

M2018-5-4

MOVED, to adopt Resolution No. 2018-5-1, establishing the Regional Pretreatment Program Local Limits applicable to Significant Industrial Users.

RESOLUTION 2018-5-1

RESOLUTION OF THE BOARD OF DIRECTORS OF INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, ESTABLISHING LOCAL LIMITS APPLICABLE TO THE REGIONAL SEWERAGE SYSTEM SIGNIFICANT INDUSTRIAL USERS (for full text, see Resolution Book)

FISCAL YEAR 2018-2027 TEN YEAR CAPITAL IMPROVEMENT PLAN

Executive Manager of Engineering/AGM Chris Berch presented a summary of the Ten Year Capital Improvement Plan (TYCIP), adoption schedule, and staff's recommendation.

Upon motion by Director Parker, seconded by Director Hofer, and unanimously carried (4:0):

M2018-5-5

MOVED, to adopt the proposed Fiscal Year 2018-2027 Ten Year Capital Improvement Plan.

INFORMATION ITEMS

GRANTS DEPARTMENT SEMI-ANNUAL UPDATE

Manager of Grants Jason Gu gave an update of the Agency's Grants program, which includes low interest loans. He stated that the Grants department oversees the Agency-wide grants activities by playing a centralized administrative role. The actual grants fund projects are owned and managed by respective departments and their project managers. He stated that the Grants department staff works with departments at different stages of the grant life cycle. He gave an overview of all agency grants activities in six major categories: recycled water, wastewater, groundwater, drinking water, water conservation, and renewable energy. He stated all grants are a collaborative effort from the entire Agency and the significant amount of funding represents the Agency's prudent water management style by aggressively pursuing external funding and reducing the tax payers burden.

RP-5 LIQUIDS TREATMENT EXPANSION MEMBRANE BIO-REACTOR PRE-SELECTION REQUEST FOR PROPOSAL UPDATE

Manager of Engineering Shaun Stone gave a background for the membrane bio-reactor (MBR) request for proposal (RFP). He gave an overview of the MBR location, scope of supply, RFP details, cost, and schedule.

ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT UPDATE

Deputy Manager of Engineering Jerry Burke gave a PowerPoint presentation on the Engineering and Construction Management project updates. He provided updates on the following projects:

EN17006-Carbon Canyon Water Recycling Facility Asset Management and Improvements; EN18006-Regional Water Recycling Plant No. 1 Flare Improvements; EN14042-Regional Water Recycling Plant No. 1 1158 Recycled Water Pump Station Upgrades; EN17067-Declez Monitoring Well Project; EN13048-Regional Water Recycling Plant No. 1 Power System Upgrades Phase II; and EN17014-Non-Reclaimable Wastewater System Manhole Upgrades.

MWD UPDATE

Senior Engineer Jason Pivovarovff gave an update on the MWD allocation, which has increased to 30 percent. He also gave an update on the rates and charges, and the Regional Storage Program. He stated that in relation to the Regional Storage Program, MWD is evaluating storage criteria and requirements, which includes evaluating outage periods, demand cutbacks, local supply estimates, and storage capacity. Discussion ensued about future increase and projection of rates and the funding of the California WaterFix.

THE FOLLOWING INFORMATION ITEMS WERE RECEIVED AND FILED BY THE BOARD:

TREASURER'S REPORT OF FINANCIAL AFFAIRS

PUBLIC OUTREACH AND COMMUNICATION

LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES

LEGISLATIVE REPORT FROM WEST COAST ADVISORS

CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT

FEDERAL LEGISLATIVE TRACKING MATRIX

STATE LEGISLATIVE TRACKING MATRIX

FY 2018/19 PROPOSED BUDGET AMENDMENT FOR ADMINISTRATIVE SERVICES, NON-RECLAIMABLE, AND WATER RESOURCES PROGRAMS

FY 2018/19 ADOPTED BUDGET FOR INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

OPERATIONS DIVISION UPDATE

AGENCY REPRESENTATIVES' REPORTS

SAWPA REPORT

Director Hall gave an update on the May 15, 2018 SAWPA meeting. She stated that the Commissioners had approved Form CAL OES 130 designating the General Manager as the SAWPA authorized representative to accept the Disaster Recovery funds for the January 2017 storm damage, adopted a resolution to establish a new Inland Empire Brine Line rate effective July 1, 2018, authorized the issuance of a notice inviting bids for the Santa Ana Sucker Habitat Protection and Beneficial Use Enhancement Program, and approved the Memorandum of Understanding (MOU) between SAWPA and the Housing Authority of the city of Riverside. Language was added to the MOU to state that SAWPA's role will be expressly limited to technically assist with water quality studies as described in Proposition 1 guidelines. Discussion ensued regarding the MOU between SAWPA and the Housing Authority of the city of Riverside.

MWD REPORT

There was nothing additional reported.

REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT

Director Parker stated that the Regional Sewerage Program Policy Committee met on May 3, 2018. She stated that the Ten-Year Capital Improvement Plan was recommended for approval as it was today.

CHINO BASIN WATERMASTER REPORT

President Elie stated that at the April 26, 2018 meeting, a budget amendment was approved and the progression of the appeal was discussed. He stated that he has spoken to General Manager Halla Razak to include a Chino Basin Watermaster Update as an informational item at the Board meetings. The Board of Directors agreed.

CHINO BASIN DESALTER AUTHORITY REPORT

Director Hall stated that the May 3, 2018 meeting was routine as normal.

INLAND EMPIRE REGIONAL COMPOSTING AUTHORITY

Director Hall stated that at the May 7, 2018, IERCA Meeting the FY 2018/19 Budget and Investment Policy were adopted, Annual Management Plan was reviewed, and a construction contract was awarded for the Corroded Column Repair Project.

GENERAL MANAGER'S REPORT

General Manager Halla Razak briefed the Board about the Chino Basin Storage Framework. The Chino Basin Watermaster has taken the lead on putting together a framework. The outcome of which may have a significant impact on the performance of many planned projects at IEUA. Staff from IEUA has been making an effort to get Chino Basin Watermaster to study the storage limits of the Chino Basin. She stated that counterintuitively, the more water that is stored in the Chino Basin, the less safe yield and percolation occurs.

She stated that IEUA is participating in MWD's evaluation of their storage. She stated that there is only one way for imported water to enter into IEUA's region, which is through the Rialto Pipeline. Recently, the Rialto Pipeline was taken out of service for a week and IEUA made a considerable effort asking the member agencies and users to curtail the use of water. She stated that staff will be entering into discussion with MWD regarding other ways of receiving imported water from MWD into our region, especially in case of a catastrophe.

She also shared a video of the Earth Day events that took place on April 18-19, that was featured on KVCR, Channel 24-PBS affiliate.

BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS

There were no Board requested future agenda items.

DIRECTORS' COMMENTS

Director Hofer commended the Inland Empire Regional Composting Facility and its management for going 7 years without a loss time incident.

Director Hall stated that on May 8-11, she attended the ACWA Spring Conference.

Director Parker stated that on May 8, she attended the Mayor Ulloa's Chino State of the City Address. She stated that IEUA had a table and it was well attended by staff, President Elie, and herself.

President Elie stated that on April 17-19, he traveled to Washington DC to meet with legislative delegation; on May 2, he spoke in front of the California Water Commission on behalf of the Agency; and on May 8, he also attended Mayor Ulloa's Chino State of City Address.

CLOSED SESSION

The Board went into Closed Session at 11:45 a.m., A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: (1) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010; B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: three cases; C. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 – CONFERENCE WITH LABOR NEGOTIATIONS: Meet and Confer Negotiations – All Bargaining Units, Negotiating Parties: General Manager Halla Razak

The meeting resumed at 12:22 p.m., and General Counsel Jean Cihigoyenetché stated that the below-mentioned matters were discussed in Closed Session, and the Board took the following actions:

Regarding Conference with Legal Counsel – Existing Litigation:

Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010

The Board did not discuss.

Regarding Conference with Legal Counsel – Anticipated Litigation:

Three cases

The Board took no reportable action.

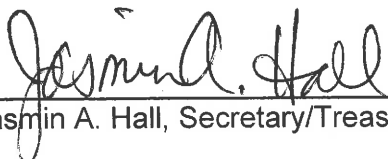
Regarding Conference with Labor Negotiations:

Meet and Confer Negotiations – All Bargaining Units

Negotiating Parties: General Manager Halla Razak

The Board took no reportable action.

With no further business, President Elie adjourned the meeting at 12:23 p.m.



Jasmin A. Hall, Secretary/Treasurer

APPROVED: JUNE 20, 2018